

Missouri Department of Economic Development

Small Business Incubator

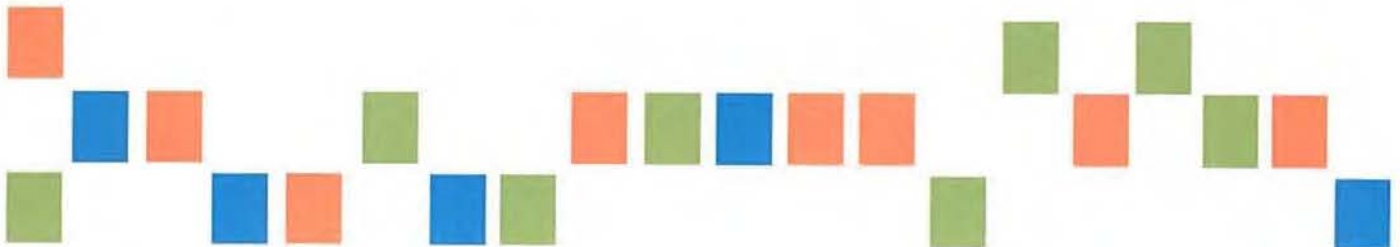
2010 Performance Report



Christopher "Kit" Bond Incubator – St. Joseph



BEGIN New Venture Center – St. Louis





Independence Regional Ennovation Center – Independence

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Arts Incubator – Kansas City



Ozarks Small Business Incubator – West Plains

Executive Summary

STATUTORY AUTHORITY

620.495, RSMo, as amended

PURPOSE

The purpose of this program is to generate private funds to be used to establish a “protective business environment” (incubator) in which a number of small businesses can collectively operate, fostering growth and development during a business start-up period.

PROGRAM DESCRIPTION

An incubator is a building, which can be divided into smaller units of space to be leased by small businesses. An incubator is also a program without infrastructure in which participants avail themselves of business development services to assist in the growth of their start-up businesses.

In addition to the space, incubators provide business development services for use by the tenants and participants. These services shall include, but are not limited to, financial consulting assistance, management and marketing assistance, business education, and physical services such as personal computers, copier, facsimile, conference rooms, labs, etc. Because of the shared services and efficient use of the available space, costs are usually much less than for a small business operating independently.

The incubator is not intended to be a permanent home for the new firm. After a period determined by the incubator's policy, a tenant will move from the incubator, thereby making room available in the incubator for a new start-up firm.

The Missouri Department of Economic Development approves (“certifies”) or denies proposals for small business incubators based on the ability of the incubator to meet statutory requirements of the program; the economic impact of the incubator on the community, conformance with area-wide and local economic development plans; and location of the incubator, in order to encourage geographic distribution of incubators across the state. Certified incubators may receive contributions from taxpayers. The taxpayers in turn may receive tax credits in the amount of 50% of the contributions. The tax credits can be carried forward for five years and also be sold or transferred. The overall maximum amount of tax credits that can be authorized in any one calendar year is \$500,000.



St Louis Enterprise Center – Wellston



Small Business Synergy Center – St. Charles

ECONOMIC IMPACT

Tax credits issued through the Small Business Incubator Program from the program's inception through December 31, 2009, total \$4.9 million, which attracted contributions totaling more than **\$9.8 million**.

PROGRAM STATISTICS

Most tenants are originally from Missouri. However, four tenants were attracted from other states, primarily to CET, which are biological-medical technologies. These tenants chose CET due to their unique locations and affiliations with major research institutions, hospitals and universities located in the St. Louis region. Most graduates decided to stay in Missouri because of the founders' and workforce's residency. However, the graduates that relocated to other states identified the reasons for such decision as inability to raise additional funding or acquisition by another company. The information regarding the number of jobs, payroll and investment of graduate companies is not complete because most incubators do not track such data and thus are unable to provide it.

Six out of the nineteen incubators reported; 13 did not report at all. Of those not reporting, four incubator locations were closed, one consolidated into what is now Life Sciences and one decertified in 2007. One applied, but changed direction of the incubator, so application was put on hold. Only one did not report at all. Five new incubators were certified in late 2010, after the reporting deadlines. They were awarded tax credits for 2010, but first year reporting will be due in 2011.

Small Business Incubators submit a Budget of Revenues and Expenditures application at the end of the calendar year, and we determine the division of tax credits for 2011 from this report. The following is a listing of the Incubators that were awarded tax credits, listed by year of approval.



Center for Emerging Technologies St. Louis



Life Sciences Business Incubation Center Columbia

Table 1 "Applications Rec'd/Approved through December 31, 2010"

Year	Applications Rec'd	Applications Approved	Name
1990	1	1	OZARK
1991	0	0	
1992	1	1	MITF
1993	2	2	SBSC, StLEC
1994	0	0	
1995	1	1	MIC
1996	0	0	
1997	1	1	BEU
1998	2	2	MIC, THEC.
1999	0	0	
2000	1	1	CET
2001	1	1	CET
2002	1	1	StLEC
2003	3	3	CET, NIDUS, TEC
2004	4	4	CET, LSBIC, JNB TIC, TEC
2005	5	5	CET, JNB TIC, LSBIC, SMIC, TEC
2006	6	6	CET, JNB TIC, LSBIC, SBSC, SMIC, TEC
2007	5	5	CET, JNB TIC, LSBIC, SMIC, TEC
2008	6	4	Avvio, CET, JNB TIC, LSBIC, SMIC, TEC
2009	3	3	CET, JNB TIC, LSBIC,
2010	8	8	CET, JNB TIC, LSBIC, Kit Bond, Ozarks SBI, Independence Regional Ennovation Center, Arts Incubator, BEGIN New Venture Center
Total	51	49	



Southeast Missouri Innovation Center (SMIC) – Cape Girardeau



Joseph Newman Business and Technology Innovation Center - Joplin



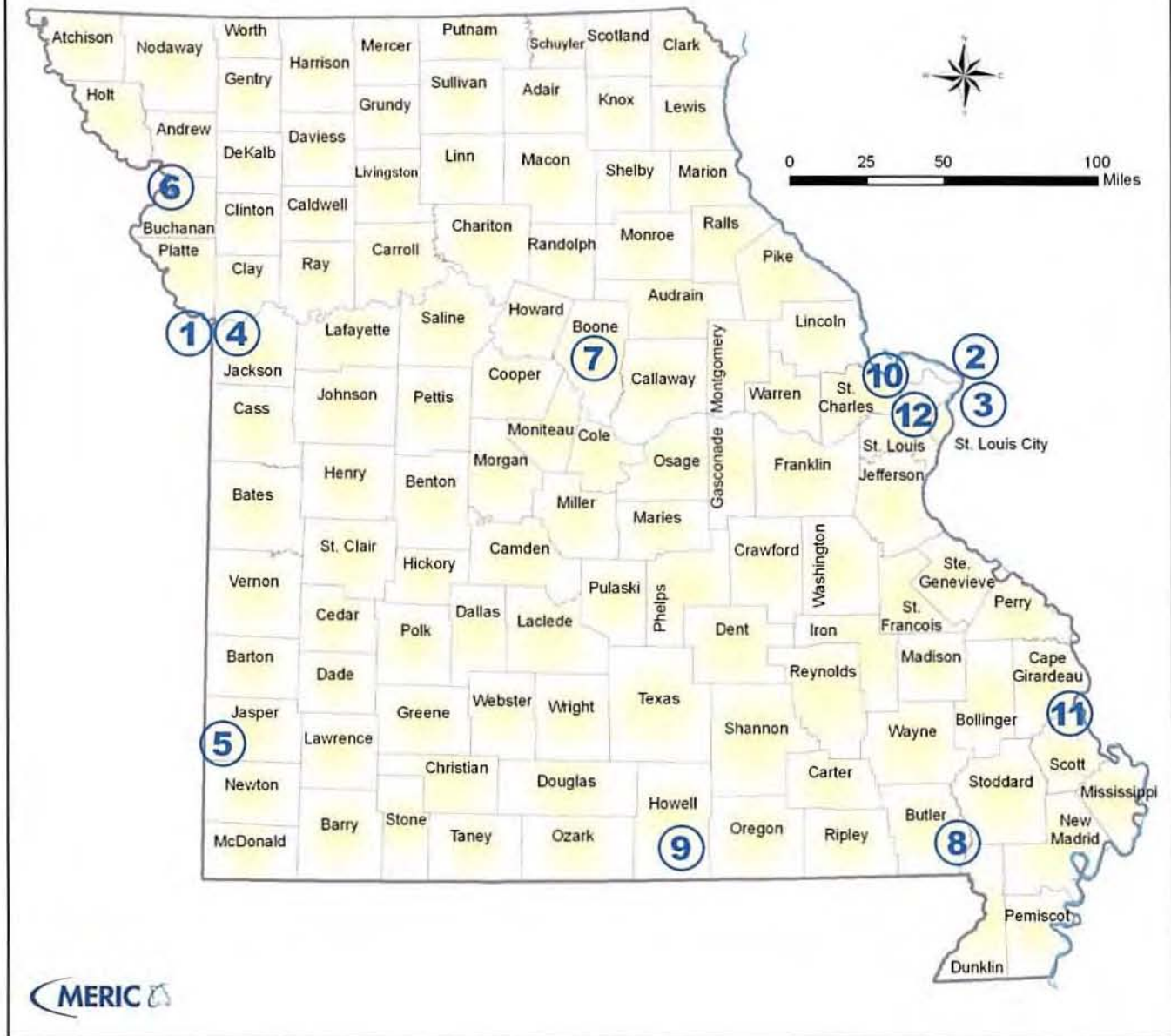
Ozark Foothills Business Incubator – Poplar Bluff

**Table 2 “Performance Statistics – through FY 2010”
(See Exhibit 1 for detail by incubator)**

Data Description	Total for all Incubators
# Incubators Created	19
#Incubators Inactive/Closed	7
#Incubators Active	10
#Incubators Under construction	2
# Incubators Decertified	1
Average occupancy rate 2008	45%
Focus	Bio-Med., R&D, Mfg, IT/ Comm, Plant & Life Science, Mixed
State origin current/previous tenants	MO, NY, VA/CA, PA/NJ/FL, IL
# Tenants	87
# Tenants/Incubator jobs	461 full time/62 part time
\$ Tenants/Incubator payroll	\$14,186,461.00
\$ Tenants/incubator spending	N/A
Tenants average length in years	2.9 yrs
# Failed	42
Failed average length in years	1.20 yrs
# Missouri graduates	192
# Missouri graduates jobs	1206
# Missouri graduates still in business	136 reported
Missouri graduates average length in years	3.76 yrs
\$ Missouri graduates payroll	N/A
\$ Missouri graduates spending	N/A
# Other graduates	17
Other graduates average length in years	3.83
States moved to	CA, CO, NJ, IL, KY, SC, TX, WA, WI

Geographical Distribution

Missouri Certified Incubators



Missouri Certified Incubators Contact Information

Active Incubators List

1. Arts Incubator – Kansas City

Sponsor: Arts Incubator – Kansas City
Contact person: Jeff Becker
115 W. 18th Street
Kansas City, MO 64108-1220
Phone: (816) 421-2292
Fax: (816) 421-2293
E-mail: jbeckers@artsincubatorkc.org
Website: www.artsincubatorkc.org

2. BEGIN New Venture Center

Sponsor: St. Patrick's Center
Contact person: Jan DeYoung
800 N. Tucker Blvd
St. Louis, MO 63101
Phone: (314) 802-0995
Fax: (314)
E-mail: jdeyoung@stpatrickcenter.org
Website: www.stpatrickcenter.org/programs/employment-training/bnvc/

3. Center for Emerging Technologies (CET)

Sponsor: Center for Emerging Technologies
Contact person: Barbara Enneking
4041 Forest Park Avenue
St. Louis, MO 63108-3213
Phone: (314) 615-6900
Fax: (314) 615-6901
E-mail: benneking@emergingtech.org
Website: www.emergingtech.org

4. Independence Regional Ennovation Center

Sponsor: Independence Council for Economic Development
Contact person: Tom Lesnak
1509 W. Truman Rd
Independence, MO 64050-3436
Phone: (816) 252-5777
Fax: (816) 252-5777
E-mail: tlesnak@independencemo.biz
Website: <http://www.ennovationcenter.com/>

5. Joseph Newman Business and Technology Innovation Center (JNBTC)

Sponsor: Joplin Area Chamber of Commerce Foundation
Contact person: Steve Russell
320 E. 4th
St. Joplin, MO 64801
Phone: (417) 624-4150
Fax: (417) 624-4303
E-mail: srussell@joplin.com
Website: www.newmaninnovationcenter.com

6. Kit Bond Science and Technology Incubator)

Sponsor: Missouri Western State University
Contact person: Dr. Gary E. Clapp, Pd.D.
4221 Mitchell Avenue
St. Joseph, MO 64507-2266
Phone: (816) 271-5860
Fax: (816) 271-5972
E-mail: gclapp@missouriwestern.edu
Website: www.missouriwestern.edu/lifesciences

7. Life Sciences Business Incubation Center (LSBIC)

Sponsor: Missouri Innovation Center
Contact person: Quinten Messbarger
1601 S. Providence
Columbia, MO 65211
Phone: (573) 884-0492
Fax: (573) 884-3600
E-mail: messbargerq@missouri.edu
Website: www.muincubator.com

8. Ozark Foothills Development Association (OZARK)

Sponsor: Ozark Foothills Regional Planning Commission
Contact person: Felicity Brady
3019 Fair Street
Poplar Bluff, MO 63901
Phone: (573) 785-6402
Fax: (573) 686-5467
E-mail: greg@ofrpc.org
Website: www.ofrpc.com/incubator.html

9. Ozarks Small Business Incubator)

Sponsor: Downtown West Plains, Inc.
Contact person: Heather Fisher
401 Jefferson
West Plains, MO 65775
Phone: (417) 257-2563
Fax: (417) 256-8711
E-mail: hlands@email.com
Website: www.ozsbi.com

10. Small Business Synergy Center (SBSC)

Sponsor: Small Business Synergy Center
Contact person: Craig Frahm
5988 Mid Rivers Mall Drive
St. Charles, MO 63304
Phone: (636) 441-6880
Fax: (636) 441-6881
E-mail: cfrahm@edestcharlescounty.com
Website: www.stcc-edc.com

11. Southeast Missouri Innovation Center (SMIC)

Sponsor: Missouri Research Corporation
Contact: Mangels, Kathy
One University Plaza, MS 3300
Cape Girardeau, MO 63701
Phone: (573) 651-2570
Fax: (573) 651-5061
E-mail: kmangels@semo.edu
Website: www.semo.edu/cie/

12. St. Louis Enterprise Center-Wellston (StLEC)

Sponsor: St. Louis County Economic Council
Contact person: Dennis Britte
6439 Plymouty Ave.
Wellston, MO 63133
Phone: (314) 615-7621
Fax: (314) 615-7666
E-mail: dbritte@slcec.com
Website: www.slcec.com

Missouri Certified Incubators Contact Information

Inactive Incubators List

Black Economic Union/Economic Growth Group (BEU)

Sponsor: Black Economic Union/Economic Growth Group
Contact person: Chester Thompson
1601 E. 18th
Kansas City, MO 64108
Phone: (816) 474-1080
Fax: (816) 474-5805
E-mail: chestert@beuke.org
Website: www.beuke.org
Incubator no longer active

Missouri Innovation Center (MIC) – not active incubator *

Sponsor: Missouri Innovation Center
Contact: Kim March
410 S. 6th St., 214 Engineering Bldg. North
Columbia, MO 65201
Phone: (573) 884-0496
Fax: (573) 884-3600
E-mail: marchk@missouri.edu
Website:

* Incubator is now Life Sciences Business Incubation Center
* MIC is still active as an Innovation center.

Missouri IncuTech Foundation (MITF)

(DBA Missouri Enterprise Business Assistance Center)
Sponsor: Missouri Enterprise
Contact Person: Rick Prugh
800 University Drive
Rolla, MO 65401-2157
Phone: (573) 341-0117
Fax: (573) 341-0135
E-mail: rprugh@missourienterprise.org
Website: www.missourienterprise.org
Incubator decertified August 2007
Incubator is still active

Nidus Center for Scientific Enterprise (NIDUS)

Sponsor: Monsanto Corporation
Contact person: Susan Pais
893 North Warson Road
St. Louis, MO 63141
Phone: (314) 812-8001
Fax: (314) 812-8080
E-mail: susan.e.pais@niduscenter.com
Website: www.niduscenter.com

Technology Entrepreneur Center (TEC)

Sponsor: Technology Entrepreneur Center
Contact person: Willem Bakker
210 N. Tucker, Suite 600
St. Louis, MO 63101
Phone: (314) 436-3500
Fax: (314) 333-0409
E-mail: fchmelir@tecstl.org
Website: www.tecstl.org

Thomas Hill Enterprise Center (THEC) - not active

Sponsor: Thomas Hill Enterprise Center
Macon, MO
Incubator no longer active

Avvio Center

1600 Swift
North Kansas City, MO 64116
Contact Person: Joe Mullins
Phone: (816) 210-5305
Fax:
E-mail: Joe@startpath.org
Website: under construction

Exhibit 1 "Performance Statistics - FY 2010"

Incubators	Data Description		Arvo Center 2010	BIGM New Venture Center 2010	Black Economic Union (BEU) 1997	Center for Emerging Technologies (CET) 1983	Independence Regional Innovation Center 2010	Joseph Heerman Business and Technology Innovation Center (JHETIC) 2004	Kil Bond Incubator 2010	Life Sciences Business Incubator Center (LSBIC) 2004	Missouri Innovation Center (MIC) 1995	Missouri Tech Foundation (MTF) 1991	Midwest Center for Scientific Enterprise (MCSE) 2003	Ozark Foothills Development Association (OZARK) 1995	Ozark Small Business Incubator 2010	Small Business Strategy Center (SSBC) 1992	Southeast Missouri Innovation Center (SMIC) 2005	St. Louis Enterprise Center (SLEC) (Walston) 1992	Technology Entrepreneur Center (TEC) 2003	Thomas Hill Enterprise Center (THEC) 1997	Averages	TOTAL
	Year Certified	Occupancy Rate																				
	2010	2008	2010	2010	1997	1983	2010	2004	2010	2004	1995	1991	2003	1995	2010	1992	2005	1992	2003	1997		
			8%			60%		90%		18%				N/A		85%	79%	85%			64%	
			Business Dev			Bio-Med		IT Bio Tech		IT & D				N/A		Mixed	Mixed	Mixed				
			24			55		12		47				N/A		74	16	16				
			0			24		10		10				N/A		33	4	4				85
			0			86		46		16				N/A		258	14	16				431
						35				8				N/A		0		16				62
			\$ -			\$ 9,448,000		\$ -2,024,000		\$ 860,000				N/A		N/A	\$ 443,798	\$ 637,141				\$ 14,106,481.00
			\$ -			N/A		N/A		N/A				N/A		N/A	N/A	\$ 8,004,666				8004666
			0			4.5		3.7		1.25				N/A		4.96	2.7	2			3.09	71.595
			0			2		0		1				N/A		39	0	0				42
			0			2		0		1				N/A		1.1	N/A	N/A			0.82	4.92
			0			5		2		0				N/A		189	\$ -2.3	2				201
			0			N/A		N/A		N/A				N/A		1217	N/A	25				1342
			0			5		7		N/A				N/A		150	2	3				162
			0			5		2		N/A				N/A		2.2	2	1.71			2.50	15
			\$ -			N/A		N/A		N/A				N/A		N/A	N/A	N/A				\$ -
			\$ -			N/A		N/A		N/A				N/A		N/A	N/A	N/A				0
			0			N/A		1		0				N/A		8	N/A	N/A				17
			0			4.12		2		N/A				N/A		2.9	N/A	N/A			3.01	

N/A = data not available

Exhibit 2 "Annual Tax Credits Authorized per Incubator in Calendar Years"

Incubators Years	Arts Incubator		BEGIN	Center for Emerging Technologies (CET)	Independence Regional Innovation Center	Joseph Newman Business and Technology Innovation Center (JNBTC)	Kit Bond Incubator	Life Sciences Business Incubator Center (LSBIC)	Ozark Foothills Development Association (OZARK)	Ozarks Small Business Incubator	Small Business Synergy Center (SBSC)	Southeast Missouri Innovation Center (SMIC)	St. Louis Enterprise Center (SILEC)	TOTAL
	2010	2010												
Year Certified	2010	2010	2010	1998	2010	2004	2010	2004	1990	2010	1992	2005	1990	
Calendar Year 1990									\$ 2,500.00					\$ 2,500.00
Calendar Year 1991														\$ -
Calendar Year 1992														\$ -
Calendar Year 1993														\$ -
Calendar Year 1994														\$ -
Calendar Year 1995														\$ -
Calendar Year 1996														\$ -
Calendar Year 1997														\$ -
Calendar Year 1998														\$ -
Calendar Year 1999														\$ -
Calendar Year 2000														\$ -
Calendar Year 2001														\$ -
Calendar Year 2002														\$ -
Calendar Year 2003														\$ -
Calendar Year 2004														\$ -
Calendar Year 2005														\$ -
Calendar Year 2006														\$ -
Calendar Year 2007														\$ -
Calendar Year 2008														\$ -
2nd Round 2008														\$ -
Calendar Year 2009														\$ -
Calendar Year 2010														\$ -
TOTAL	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 1,472,651.77	\$ 60,000.00	\$ 383,441.70	\$ 87,500.00	\$ 837,421.00	\$ 2,500.00	\$ 40,000.00	\$ 221,075.00	\$ 157,954.00	\$ 362,500.00	\$ 3,745,043.47

Exhibit 3 "Annual Tax Credits Issued per Incubator in Calendar Years"

Incubators Years	Arts Incubator	BEGIN	Center for Emerging Technologies (CET)	Independence Regional Ennovation Center	Joseph Newman Business and Technology Innovation Center (JNBTC)	Kit Bond	Life Sciences Business Incubator Center (LSBIC)	Ozark Foothills Development Association (OZARK)	Ozarks Small Business Incubator	Small Business Synergy Center (SBSC)	Southeast Missouri Innovation Center (SMIC)	St. Louis Enterprise Center (SILEC) Wellston	TOTAL
	2010	2010	1998	2010	2004	2010	2004	1990	2010	1992	2005	1990	
Year Certified	2010	2010	1998	2010	2004	2010	2004	1990	2010	1992	2005	1990	
Calendar Year 1990								\$ 2,500.00					\$ 2,500.00
Calendar Year 1991													\$ -
Calendar Year 1992													\$ -
Calendar Year 1993										\$ 207,875.00		\$ 312,500.00	\$ 520,375.00
Calendar Year 1994													\$ -
Calendar Year 1995												\$ -	\$ -
Calendar Year 1996													\$ -
Calendar Year 1997												\$ -	\$ -
Calendar Year 1998												\$ -	\$ -
Calendar Year 1999			\$ 90,573.63									\$ -	\$ 90,573.63
Calendar Year 2000			\$ 84,985.97										\$ 84,985.97
Calendar Year 2001			\$ 93,088.64									\$ -	\$ 93,088.64
Calendar Year 2002			\$ 6,000.00									\$ 50,000.00	\$ 56,000.00
Calendar Year 2003			\$ 137,500.00									\$ -	\$ 137,500.00
Calendar Year 2004			\$ 87,662.92		\$ 93,500.00		\$ 90,000.00					\$ -	\$ 271,162.92
Calendar Year 2005			\$ 33,750.00		\$ 59,397.86		\$ 120,921.00				\$ 12,500.00	\$ -	\$ 226,568.86
Calendar Year 2006			\$ 6,250.00		\$ 36,457.54		\$ 253,500.00				\$ 4,249.00		\$ 300,456.54
Calendar Year 2007			\$ 94,782.86		\$ 14,110.76		\$ 52,375.00						\$ 161,268.62
Calendar Year 2008			\$ 184,375.53		\$ 34,166.67		\$ 32,080.00						\$ 250,622.20
Calendar Year 2009			\$ 113,314.83		\$ 17,500.00								\$ 130,814.83
Calendar Year 2010				\$ 1,250.00									\$ 1,250.00
TOTAL	\$ -	\$ -	\$ 932,284.38	\$ 1,250.00	\$ 255,132.83	\$ -	\$ 548,876.00	\$ 2,500.00	\$ -	\$ 207,875.00	\$ 16,749.00	\$ 362,500.00	\$ 2,327,167.21

Exhibit 4 "Annual Tax Credits Authorized per Incubator in Calendar Years"
In Active Incubators

Incubators Years	Avrio Center	Black Economic Union (BEU)	Eastern Jackson County Business Incubator (EJCBI)	Missouri Innovation Center (MIC)	Missouri IncuTech Foundation (MITF)	Nidus Center for Scientific Enterprise (NIDUS)	Technology Entrepreneur Center (TEC)	Thomas Hill Enterprise Center (THEC)	TOTAL
Year Certified	2008	1997		1995	1991	2003	2003	1997	
Calendar Year 1990									\$ -
Calendar Year 1991									\$ -
Calendar Year 1992					\$ 319,858.24				\$ 319,858.24
Calendar Year 1993									\$ -
Calendar Year 1994									\$ -
Calendar Year 1995				\$ 17,899.00					\$ 17,899.00
Calendar Year 1996									\$ -
Calendar Year 1997		\$ 87,500.00							\$ 87,500.00
Calendar Year 1998				\$ 17,101.00				\$ 101,950.00	\$ 119,051.00
Calendar Year 1999									\$ -
Calendar Year 2000									\$ -
Calendar Year 2001									\$ -
Calendar Year 2002									\$ -
Calendar Year 2003						\$ 36,512.00	\$ 100,000.00		\$ 136,512.00
Calendar Year 2004							\$ 100,000.00		\$ 100,000.00
Calendar Year 2005							\$ 108,671.00		\$ 108,671.00
Calendar Year 2006							\$ 110,850.00		\$ 110,850.00
Calendar Year 2007							\$ 175,000.00		\$ 175,000.00
Calendar Year 2008	\$ 150,000.00						\$ 100,000.00		\$ 250,000.00
2nd Round 2008	\$ (150,000.00)						\$ (100,000.00)		\$ (250,000.00)
Calendar Year 2009			\$ 76,570.00						\$ 76,570.00
Calendar Year 2010									\$ -
TOTAL	\$ -	\$ 87,500.00	\$ 76,570.00	\$ 35,000.00	\$ 319,858.24	\$ 36,512.00	\$ 594,521.00	\$ 101,950.00	\$ 1,251,911.24
	Certified March 2008	Closed	Incubator Never A Incubator	Now Life Sciences Incubator	Decertified August 2007	Closed per Susan Pais 12/1/10	Closed	Closed	

Exhibit 5 "Annual Tax Credits Issued per Incubator in Calendar Years"

In/Active Incubators

Incubators	Avrio Center	Black Economic Union (BEU)	Missouri Innovation Center (MIC)	Eastern Jackson County Business Incubator (EJCBI)	Missouri IncuTech Foundation (MITF)	Nidus Center for Scientific Enterprise (NIDUS)	Technology Entrepreneur Center (TEC)	Thomas Hill Enterprise Center (THEC)	TOTAL
Years	2008	1997	1995		1991	2003	2003	1997	
Year Certified									
Calendar Year 1990									\$ -
Calendar Year 1991									\$ -
Calendar Year 1992					\$ 319,858.24				\$ 319,858.24
Calendar Year 1993									\$ -
Calendar Year 1994					\$ -				\$ -
Calendar Year 1995					\$ -				\$ -
Calendar Year 1996					\$ -				\$ -
Calendar Year 1997					\$ -				\$ -
Calendar Year 1998					\$ -				\$ -
Calendar Year 1999		\$ 87,500.00	\$ 17,899.00		\$ -			\$ 101,950.00	\$ 101,950.00
Calendar Year 2000			\$ 17,101.00		\$ -				\$ 105,399.00
Calendar Year 2001					\$ -			\$ -	\$ 17,101.00
Calendar Year 2002					\$ -			\$ -	\$ -
Calendar Year 2003					\$ -	\$ 32,996.78	\$ 100,000.00	\$ -	\$ 132,996.78
Calendar Year 2004					\$ -	\$ -	\$ 99,900.00	\$ -	\$ 99,900.00
Calendar Year 2005					\$ -	\$ -	\$ 108,671.00	\$ -	\$ 108,671.00
Calendar Year 2006							\$ 110,850.00		\$ 110,850.00
Calendar Year 2007							\$ 175,000.00		\$ 175,000.00
Calendar Year 2008									\$ -
Calendar Year 2009									\$ -
Calendar Year 2010									\$ -
TOTAL	\$ -	\$ 87,500.00	\$ 35,000.00		\$ 319,858.24	\$ 32,996.78	\$ 594,421.00	\$ 101,950.00	\$ 1,171,726.02
	Certified March 2008				Decertified August 2007				